

Message Text

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PAGE 01 MANILA 13442 290221Z
ACTION TRSE-00

INFO OCT-01 EA-10 ISO-00 IO-13 NEA-10 AID-05 CIAE-00
COME-00 EB-08 FRB-03 INR-07 NSAE-00 USIA-06
XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05
SS-15 STR-04 CEA-01 L-03 H-01 PA-01 PRS-01 /107 W
-----093493 290222Z /62

R 290030Z AUG 77
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 4299

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USADB

FOR NAC AGENCIES

E.O. 11652: N/A
TAGS: EAID, EFIN
SUBJECT: GUARANTEE OPERATIONS BY ADB

REF: TREASURY 77-110

1. ON AUGUST 25, BOARD OF DIRECTORS APPROVED RECOMMENDATION
REGARDING ADB GUARANTEE OPERATIONS IN PARA. 24 OF ADB WORKING
PAPER 5-77 WITH FOLLOWING CLARIFICATORY AMENDMENTS:

A. REPLACE SUB-PARAGRAPH (B) BY FOLLOWING: QUOTE (B)
THE BANK BE PREPARED TO CONSIDER, ON ITS MERITS, AND IN
PARTIAL SUBSTITUTION FOR A DIRECT LOAN, ANY PROPOSAL THAT
MAY BE RECEIVED FROM A POTENTIAL BORROWER FOR THE USE OF THE
GUARANTEE MECHANISM IN A SPECIFIC MAJOR PROJECT (AS FOR
INSTANCE, A LARGE INDUSTRIAL PROJECT INVOLVING REGIONAL OR
SUB-REGIONAL ECONOMIC COOPERATION) WHERE THE BANK WOULD BE
PREPARED TO CONSIDER A LOAN AND WHERE THE TOTAL FOREIGN
EXCHANGE COST OF THE PROJECT IS VERY HIGH AND CANNOT BE FULLY
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FINANCED THROUGH CO-FINANCING ARRANGEMENTS. UNQUOTE.

B. ADD FOLLOWING NEW SUB-PARAGRAPH (D): QUOTE (D)
IN THE MEANTIME, THE BANK CONTINUES TO ASSIST DMCS IN
OBTAINING IN SUITABLE CASES CO-FINANCING ON REASONABLE
TERMS INCLUDING CO-FINANCING WITH COMMERCIAL BANKS ON
THE BASIS OF THE OPTIONAL CROSS-DEFAULT CLAUSE; UNQUOTE.

C. REDESIGNATE EXISTING SUB-PARAGRAPH (D) AS SUB-PARAGRAPH (E).

2. AMENDMENT TO SUB-PARAGRAPH (B) WAS AGREED BETWEEN USADB AND BANK IN RESPONSE TO WASHINGTON REQUEST PER REFTEL TO CLARIFY THAT NO ADDITIONALITY IS CONTEMPLATED. WE BELIEVE THAT SUB-PARAGRAPH (B) FULLY MEETS U.S. OBJECTIVE IN THAT IT IS EVEN MORE RESTRICTIVE THAN LANGUAGE RECOMMENDED BY WASHINGTON, SINCE GUARANTEE PROGRAM WOULD BE LIMITED TO UNUSUALLY LARGE PROJECT AND ONLY WHEN IT COULD NOT BE FINANCED THROUGH CO-FINANCING ARRANGEMENTS.
EDMOND

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, DEVELOPMENT LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA13442
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770311-0208
Format: TEL
From: MANILA USADB
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770813/aaaaakko.tel
Line Count: 75
Litigation Code IDs:
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Litigation History:
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Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1451287
Secure: OPEN
Status: NATIVE
Subject: GUARANTEE OPERATIONS BY ADB
TAGS: EAID, EFIN, RP, ADB
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/3ffd5751-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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